3510-DS-P

DEPARTMENT OF COMMERCE

International Trade Administration

[A-821-836]

Sodium Nitrite from the Russian Federation: Preliminary Affirmative Determination of Sales at Less Than Fair Value

AGENCY: Enforcement and Compliance, International Trade Administration, Department of Commerce.

SUMMARY: The U.S. Department of Commerce (Commerce) preliminarily determines that sodium nitrite from the Russian Federation (Russia) is being, or is likely to be, sold in the United States at less than fair value (LTFV). The period of investigation (POI) is January 1, 2021, through December 31, 2021. Interested parties are invited to comment on this preliminary determination.

DATES: Applicable [INSERT DATE OF PUBLICATION IN THE *FEDERAL REGISTER*]. **FOR FURTHER INFORMATION CONTACT:** Paola Aleman Ordaz, AD/CVD Operations, Office IV, Enforcement and Compliance, International Trade Administration, U.S. Department of Commerce, 1401 Constitution Avenue, NW, Washington, DC 20230; telephone: (202) 482-4031.

SUPPLEMENTARY INFORMATION:

Background

This preliminary determination is made in accordance with section 733(b) of the Tariff Act of 1930, as amended (the Act). Commerce published the notice of initiation of this investigation on February 8, 2022.¹ For a complete description of the events that followed the initiation of this investigation, *see* the Preliminary Decision Memorandum.² A list of topics

¹ See Sodium Nitrite from India and the Russian Federation: Initiation of Less-Than-Fair-Value Investigations, 87 FR 7122 (February 2, 2022) (Initiation Notice).

² See Memorandum, "Decision Memorandum for the Preliminary Determination in the Less-Than-Fair-Value Investigation of Sodium Nitrite from the Russian Federation" dated concurrently with, and hereby adopted by, this notice (Preliminary Decision Memorandum).

discussed in the Preliminary Decision Memorandum is included as Appendix II to this notice. The Preliminary Decision Memorandum is a public document and is on file electronically via Enforcement and Compliance's Antidumping and Countervailing Duty Centralized Electronic Service System (ACCESS). ACCESS is available to registered users at https://access.trade.gov. In addition, a complete version of the Preliminary Decision Memorandum can be accessed directly at http://access.trade.gov/public/FRNoticesListLayout.aspx.

Scope of the Investigation

The product covered by this investigation is sodium nitrite from Russia. For a full description of the scope of this investigation, *see* Appendix I.

Scope Comments

In accordance with the preamble to Commerce's regulations,³ in the *Initiation Notice*, we set aside a period of time for parties to raise issues regarding product coverage (*i.e.*, scope).⁴ No interested parties submitted comments on the scope of this investigation.

Methodology

Commerce is conducting this investigation in accordance with section 733 of the Act. Pursuant to section 776(a) and (b) of the Act, Commerce has preliminarily relied upon facts otherwise available, with adverse inferences, to determine the estimated weighted-average dumping margin for the sole mandatory respondent, *i.e.*, Uralchem, JSC (Uralchem). For a full description of the methodology underlying the preliminary determination, *see* the Preliminary Decision Memorandum.

All-Others Rate

Sections 733(d)(1)(ii) and 735(c)(5)(A) of the Act provide that in the preliminary determination Commerce shall determine an estimated all-others rate for all exporters and producers not individually examined. This rate shall be an amount equal to the weighted average

³ See Antidumping Duties; Countervailing Duties, Final Rule, 62 FR 27296, 27323 (May 19, 1997).

⁴ See Initiation Notice.

of the estimated weighted-average dumping margins established for exporters and producers individually investigated, excluding rates that are zero, *de minimis*, or determined entirely under section 776 of the Act.

In the situation where no estimated weighted-average dumping margins other than zero, *de minimis*, or those determined entirely under section 776 of the Act have been established for individually examined entities, in accordance with section 735(c)(5)(B) of the Act, Commerce may use "any reasonable method to establish the estimated all-others rate for exporters and producers not individually investigated, including averaging the estimated weighted average dumping margins determined for the exporters and producers individually investigated." In this investigation, Commerce has preliminarily determined the estimated weighted-average dumping margin for Uralchem entirely under section 776 of the Act. Therefore, in the absence of a calculated estimated weighted-average dumping margin on the record of this investigation, we have preliminarily decided to assign the Petition rate of 207.17 percent to all other producers and exporters, pursuant to section 735(c)(5)(A) of the Act. For a full description of the methodology underlying Commerce's analysis, *see* the Preliminary Decision Memorandum.

Preliminary Determination

Commerce preliminarily determines that the following estimated weighted-average dumping margins exist:

Exporter/Producer	Estimated Weighted-Average Dumping Margin (percent)	Cash Deposit Rate Adjusted for Subsidy Offset (percent) ⁵
Uralchem, JSC	207.17	25.73
All Others	207.17	25.73

⁵ In the preliminary determination of the companion CVD proceeding, Commerce applied the AFA rate of 45.36 percent to each of the following export subsidy programs: (1) Preferential Lending by Sberbank to Restructure \$3.99 Billion in Uralchem Debt; (2) State Financing for Industrial Export Projects; (3) Russian Export Center (REC) Lending; and (4) State Specialized Russian Export-Import Bank (Eximbank) Financing. We subtracted 181.44 percent, the sum of the export subsidy rates, from the dumping margin of 207.17 percent.

Suspension of Liquidation

In accordance with section 733(d)(2) of the Act, Commerce will direct U.S. Customs and Border Protection (CBP) to suspend liquidation of entries of subject merchandise, as described in Appendix I, entered, or withdrawn from warehouse, for consumption on or after the date of publication of this notice in the *Federal Register*. Further, pursuant to section 733(d)(1)(B) of the Act and 19 CFR 351.205(d), Commerce will instruct CBP to require a cash deposit equal to the estimated weighted-average dumping margin or the estimated all-others rate, as follows: (1) The cash deposit rate for the respondents listed above will be equal to the company-specific estimated weighted-average dumping margins determined in this preliminary determination; (2) if the exporter is not a respondent identified above, but the producer is, then the cash deposit rate will be equal to the company-specific estimated weighted-average dumping margin established for that producer of the subject merchandise; and (3) the cash deposit rate for all other producers and exporters will be equal to the all-others estimated weighted-average dumping margin. Commerce normally adjusts cash deposits for estimated antidumping duties by the amount of export subsidies countervailed in a companion countervailing duty (CVD) proceeding, when CVD provisional measures are in effect. Accordingly, where Commerce preliminarily made an affirmative determination for countervailable export subsidies, Commerce has offset the estimated weighted-average dumping margin by the appropriate CVD rate. Any such adjusted cash deposit rate may be found in the "Preliminary Determination" section above.

Should provisional measures in the companion CVD investigation expire prior to the expiration of provisional measures in this LTFV investigation, Commerce will direct CBP to begin collecting estimated antidumping duty cash deposits unadjusted for countervailed export subsidies at the time that the provisional CVD measures expire.

These suspension of liquidation instructions will remain in effect until further notice.

Disclosure

Normally, Commerce discloses to interested parties the calculations performed in connection with a preliminary determination within five days of any public announcement or, if there is no public announcement, within five days of the date of publication of the notice of preliminary determination in the *Federal Register*, in accordance with 19 CFR 351.224 (b). However, because Commerce preliminarily applied adverse facts available (AFA) to the individually examined company, Uralchem, in this investigation, in accordance with section 776 of the Act, and applied an AFA rate, which is based solely on the Petition, there are no calculations to disclose.

Verification

Because the sole mandatory respondent in this investigation did not provide any of the information requested by Commerce, and Commerce preliminarily determines that the respondent failed to cooperate by not acting to the best of its ability to respond to Commerce's request for information, pursuant to section 776(b) of the Act, we will not conduct verification.

Public Comment

Case briefs or other written comments on all issues may be submitted to the Assistant Secretary for Enforcement and Compliance no later than 21 days after the date of publication of the preliminarily determination.⁶ Rebuttal briefs, limited to issues raised in case briefs, may be submitted no later than seven days after the deadline date for case briefs.⁷ Note that Commerce has temporarily modified certain of its requirements for serving documents containing business proprietary information, until further notice.⁸ Pursuant to 19 CFR 351.309(c)(2) and (d)(2), parties who submit case briefs or rebuttal briefs in this investigation are encouraged to submit with each argument: (1) a statement of the issue; (2) a brief summary of the argument; and (3) a table of authorities.

⁶ See 19 CFR 351.309(c)(1)(i); and 19 CFR 351.303 (for general filling requirements). Commerce has exercised its discretion under 19 CFR 351.309(c)(1)(i) to alter the time limit for submission of case briefs.

⁷ See 19 CFR 351.309; see also 19 CFR 351.303 (for general filing requirements).

⁸ See Temporary Rule Modifying AD/CVD Service Requirements Due to COVID-19; Extension of Effective Period, 85 FR 41363 (July 10, 2020).

Pursuant to 19 CFR 351.310(c), interested parties who wish to request a hearing, limited to issues raised in the case and rebuttal briefs, must submit a written request to the Assistant Secretary for Enforcement and Compliance, U.S. Department of Commerce, within 30 days after the date of publication of this notice. Requests for a hearing should contain: (1) the requesting party's name, address, and telephone number; (2) the number of individuals from the requesting party that will attend the hearing, including, whether any individuals are foreign nationals; and (3) a list of the issues the party intends to discuss at the hearing. Issues raised in the hearing will be limited to those raised in the case and rebuttal briefs. If a hearing is requested, Commerce will notify interested parties of the hearing date and time. Parties should confirm by telephone the date and time of the hearing two days before the scheduled hearing date.

International Trade Commission Notification

In accordance with section 733(f) of the Act, Commerce will notify the U.S. International Trade Commission (ITC) of its preliminary determination. If the final determination is affirmative, the ITC will determine before the later of 120 days after the date of this preliminary determination or 45 days after the final determination whether these imports materially injure, or threaten material injury to, the U.S. industry.

Notification to Interested Parties

This determination is issued and published in accordance with sections 733(f) and 777(i)(1) of the Act, and 19 CFR 351.205(c).

Dated: June 22, 2022.

Lisa W. Wang,

Assistant Secretary for Enforcement and Compliance.

Appendix I

Scope of the Investigation

The product covered by this investigation is sodium nitrite in any form, at any purity level. In addition, the sodium nitrite covered by this investigation may or may not contain an anti-caking agent. Examples of names commonly used to reference sodium nitrite are nitrous acid, sodium salt, anti-rust, diazotizing salts, erinitrit, and filmerine. Sodium nitrite's chemical composition is NaNO₂, and it is generally classified under subheading 2834.10.1000 of the Harmonized Tariff Schedule of the United States (HTSUS). The American Chemical Society Chemical Abstract Service (CAS) has assigned the name "sodium nitrite" to sodium nitrite. The CAS registry number is 7632-00-0. For purposes of the scope of this investigation, the narrative description is dispositive, not the tariff heading, CAS registry number or CAS name, which are provided for convenience and customs purposes.

Appendix II

List of Sections in the Preliminary Decision Memorandum

- I. Summary
- II. Background
- III. Period of Investigation
- IV. Application of Facts Available and Use of Adverse Inference
- V. Recommendation

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